



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

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Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 6, 2006

Doris Timm
P. O. Box 305
Klamath, California 95548

Subject: Surety Requirement, Doris Timm, Fraction Lode Mine, M0450041, Tooele County, Utah

Dear Ms. Timm:

The Division of Oil, Gas and Mining has reviewed your letter dated August 23, 2006, wherein you request a waiver of the requirement to post a reclamation surety for the Fraction Lode Mine. We appreciate your response.

The Division cannot waive the requirement to post reclamation surety for a site that has been mined since 1975 and not reclaimed; however, since the mine has not been operated in about 30 years, the site may have become stabilized with volunteer vegetation. In this case, the surety amount might be greatly reduced.

The Mining rules at R647-3-113.5 require complete reclamation of a mine site that has been in suspension for a period that exceeds 10 years, unless the Board of Oil, Gas and Mining allows a longer suspension period. If you desire to retain the Notice of Intention to Commence Small Mining Operations (NOI) and not reclaim the site, you will need to petition the Board for a longer suspension period. Otherwise, you should immediately commence reclamation. In either case you are required to pay the \$150 annual permit fee and post a surety for reclamation. The surety amount would be adjusted to reflect the amount of reclamation work still required.

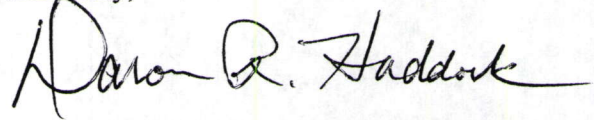
Another option would be to close the NOI. If the site has been reclaimed, is stable, and meets revegetation standards, and if there are no other public safety or environmental concerns, you could request that the Division inspect the site and release it.

Please note that the Division's release of a mine site has no effect on claims that have been filed with the Bureau of Land Management. If you decide at some point in the future to begin mining, you could refile the NOI, pay the permit fee, and submit a reclamation surety. In the meantime, it would not be necessary to file annual reports or to pay the annual permit fees.

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Please let us know what course you wish to follow. If you need information about reclamation standards or the surety amount, please contact Lynn Kunzler at 801-538-5310. Questions concerning submittal of the surety should be directed to Beth Ericksen at 801-538-5318.

Sincerely,

A handwritten signature in black ink, appearing to read "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent.

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:PBB:pb

cc: Larry Garahana, Salt Lake BLM

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